

SCHEDULE 4

REVENUE RESTRICTIONS

Class B members and Class C members

4.—(1) Subject to sub-paragraph (2), the aggregate pensions payable on retirement at NRD must not exceed the lesser of—

- (a) for Class B members, one thirtieth of the member’s final remuneration multiplied by his years of service, or 20 years if less;
- (b) for Class C members with less than 10 years service, the member’s final remuneration multiplied by the fraction specified below—

1 to 5 years	1/60th for each year
6 years	8/60ths
7 years	16/60ths
8 years	24/60ths
9 years	32/60ths

- (c) two thirds of the member’s final remuneration less the value of any retained benefits.

(2) However, if it results in a higher sum than the maximum under sub-paragraph (1), the maximum aggregate pension on retirement at NRD is one sixtieth of the member’s final remuneration multiplied by his years of service or 40 years if less.

(3) However, for a pension payable under regulation 26 the limit is the maximum pension payable under sub-paragraph (1) or (2), assuming the member had remained an active member until his NRD.

(4) For a pension payable under regulation 25 or 30, if it results in a higher sum, for the maximum under sub-paragraph (2) there is substituted an amount equal to the amount that would be the maximum under sub-paragraph (1) if the member had remained an active member until his NRD, multiplied by the fraction of which—

- (a) the numerator is—
 - (i) the member’s years of service, or
 - (ii) 40 years,whichever is less; and
- (b) the denominator is—
 - (i) his years of service, assuming he had remained an active member until his NRD, or
 - (ii) 40 years,whichever is less.

This amount may be increased by 5 per cent for each complete year, or in line with any increase in the retail prices index if greater, between the relevant date and the date on which the pension becomes payable.

- (5) The aggregate pension payable on retirement after the member’s NRD must not exceed—
- (a) the amount payable under sub-paragraph (1) or (2) on the basis that the actual retirement date was the member’s NRD;
 - (b) the amount that could have been payable under sub-paragraph (1) or (2) on retirement at NRD—

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- (i) with such an increase as an actuary appointed by the appropriate administering authority considers appropriate in view of the period of delay in payment between his NRD and the actual date the pension becomes payable, or
- (ii) adjusted to reflect any increase in the general level of retail prices obtaining in Great Britain during that period;
- (c) one sixtieth of the member's final remuneration, multiplied by his increased period of membership,

whichever is the greatest.

(6) For sub-paragraphs (1) to (5) a member who is entitled to be paid a lump sum on retirement is treated as if he were entitled instead to be paid a pension on retirement of an annual amount equal to one twelfth of the lump sum.

(7) A member's increased period of membership is the sum of—

- (a) his total membership ending with his NRD; and
- (b) his total membership after his NRD,

but must not exceed 45 years.

(8) The aggregate pension in respect of local government employment for a surviving spouse or eligible child of a member (other than a pension provided by surrender of the member's own pension under regulation 32) payable or prospectively payable to that surviving spouse or eligible child shall not exceed—

- (a) in the case of an active or deferred member, an amount equal to two thirds of the amount which would be payable under sub-paragraph (2), ignoring any retained benefits, if the member had retired under regulation 26 on the date of his death; and
- (b) in the case of a pensioner member, an amount equal to two thirds of the amount payable at the date of death under sub-paragraph (1), (2), (3), (4) or (5) ignoring any retained benefits and increased in line with any subsequent increase in the retail prices index.

(9) If pensions are payable to more than one of the member's surviving spouse and eligible children, the aggregate of all such pensions shall not exceed—

- (a) on the death of an active member or deferred member the amount payable under sub-paragraph (3); and
- (b) on the death of a pensioner member, the amount payable under sub-paragraph (1), (2), (3), (4) or (5).